

CHAPTER 173**URBAN REVITALIZATION AREA TAX EXEMPTIONS***H.F. 631*

AN ACT relating to property tax exemptions in an urban revitalization area.

Be It Enacted by the General Assembly of the State of Iowa:

Section 1. Section 404.2, subsection 2, paragraphs f and h, Code 1983, are amended to read as follows:

f. A statement specifying whether the revitalization is applicable to none, some, or all of the property assessed as residential, agricultural, commercial or industrial property within the designated area or a combination thereof and whether the revitalization is for rehabilitation and additions to existing buildings or new construction or both. If revitalization is made applicable only to some property within an assessment classification, the definition of that subset of eligible property must be by uniform criteria which further some planning objective identified in the plan. The city shall state how long it is estimated that the area shall remain a designated revitalization area which time shall be longer than one year from the date of designation and shall state any plan by the city to issue revenue bonds for revitalization projects within the area.

h. Any tax exemption schedule that shall be used in lieu of the schedule set out in section 404.3, subsection 1, 2, 3 or 4. This schedule shall not allow a greater exemption, but may allow a smaller exemption, than allowed in the schedule specified in the corresponding subsection of section 404.3 and shall be the same schedule used for all property of the same classification located in an existing revitalization area.

Sec. 2. Section 404.3, subsection 4, Code 1983, is amended to read as follows:

4. All qualified real estate assessed as residential property or assessed as commercial property, consisting if the commercial property consists of three or more separate living quarters with at least seventy-five percent of the space used for residential purposes, is eligible to receive a one hundred percent exemption from taxation on the actual value added by the improvements. The exemption is for a period of ten years.

Sec. 3. The amendment to section 404.3, subsection 4, for property assessed as residential property provided in section 2 of this Act is effective for areas designated revitalization areas on or after the effective date of this Act and shall apply to an area which is a revitalization area on the effective date of this Act. Owners of qualified real estate assessed as residential property located in an area which is a revitalization area on the effective date of this Act may elect the exemption provided by the amendment to section 404.3, subsection 4 in section 2 of this Act only if the owner has not previously made an election for exemption for the qualified real estate in the revitalization area. A city shall not have to amend its schedule of exemptions or its plan in order for such owner to elect the exemption provided by the amendment to section 404.3, subsection 4, for property assessed as residential property in this Act.

Sec. 4. Section 1 of this Act applies to a revitalization area on the effective date of this Act where the plan is consistent with its provisions or is amended to be consistent with its provisions and applies to areas designated revitalization areas on or after the effective date of this Act.

Sec. 5. This Act, being deemed of immediate importance, takes effect from and after its publication in The Hudson Herald, a newspaper published in Hudson, Iowa, and in The Daily Nonpareil, a newspaper published in Council Bluffs, Iowa.

Approved May 31, 1983

I hereby certify that the foregoing Act, House File 631 was published in The Hudson Herald, Hudson, Iowa on June 9, 1983 and in The Daily Nonpareil, Council Bluffs, Iowa on June 6, 1983.

MARY JANE ODELL, *Secretary of State*

CHAPTER 174

INCOME TAX DEDUCTION FOR CERTAIN EMPLOYMENT

S.F. 524

AN ACT relating to the computation of net income for purposes of the state individual and corporate income tax by providing an additional business deduction for wages paid or accrued for work done in the state by certain individuals.

Be It Enacted by the General Assembly of the State of Iowa:

Section 1. Section 422.7, Code 1983, is amended by adding the following new subsection:
NEW SUBSECTION. 17. If the adjusted gross income includes income or loss from a small business operated by the taxpayer, an additional deduction shall be allowed in computing the income or loss from the small business if the small business hired for employment in the state during its annual accounting period ending with or during the taxpayer's tax year any of the following:

a. A handicapped individual domiciled in this state at the time of the hiring meets any of the following conditions:

(1) Has a physical or mental impairment which substantially limits one or more major life activities.

(2) Has a record of that impairment.

(3) Is regarded as having that impairment.

b. An individual domiciled in this state at the time of the hiring who meets any of the following conditions:

(1) Has been convicted of a felony in this or any other state or the District of Columbia.

(2) Is on parole pursuant to chapter 906.

(3) Is on probation pursuant to chapter 907, for an offense other than a simple misdemeanor.

(4) Is in a work release program pursuant to chapter 247A.

c. An individual, whether or not domiciled in this state at the time of the hiring, who is on parole or probation and to whom the interstate probation and parole compact under section 247.40 applies.